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| 09/800,997 | 03/08/2001 | John W. Torget | 47004.000107 | 6654 |
| 21967 7590 05/01/2007 HUNTON & WILLIAMS LLP INTELLECTUAL PROPERTY DEPARTMENT 1900 K STREET, N.W. SUITE 1200 WASHINGTON, DC 20006-1109 | | | EXAMINER ABDI, KAMBIZ | |
| | | | ART UNIT 3621 | PAPER NUMBER |
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

| | | | |
|------------------------------|--------------------------------------|--------------------------------------|--|
| Office Action Summary | Application No. 09/800,997 | Applicant(s) TORGET ET AL. | |
| | Examiner Kambiz Abdi | Art Unit 3621 | |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 06 February 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,2,4-19,21-28 and 66 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,2,4-19,21-28 and 66 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

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DETAILED ACTION

1. The prior office actions are incorporated herein by reference. In particular, the observations with respect to claim language, and response to previously presented arguments.

- Claims 1, 17, 18, 28 and 66 are amended.
- Claims 3, 20, 29-65 and 69-72 are canceled.
- Claims 1, 2, 4-19, 21-28, and 66 have been considered.

2. The rejections of claims under 35 U.S.C. 112, 2nd paragraph have been withdrawn because of the newly amended claims.

Response to Arguments

3. Applicant's arguments filed February 6, 2007 have been fully considered but they are not persuasive for the following reasons:

1. It should be noted that the applicant's reply filed on February 6, 2007 is not fully responsive to the prior Office Action because of the following omission(s) or matter(s): the applicant has not provided detailed discussion and only has resorted to incorporation by reference to an earlier submitted discussion filed on December 20, 2006 See Remarks section page 9, 1st paragraph). See 37 CFR 1.111. Since the above-mentioned reply appears to be *bona fide*, examiner would response to the arguments for the benefit of compact prosecution of the application.

4. In response to applicants argument regarding rejection of claims 1, 17, 18, 28 and 66 in particular under 35 U.S.C. § 103 as being obvious by Yamaguchi.

5. As per the argument put forward by the applicant regarding claims 1, 18 and 66, examiner would like to bring the attention of the applicant to paragraph [0087] in particular as the Yamaguchi reference clearly teaches a readable image is used for over lay that is readable on the instrument as printed as well as the instrument has none readable data hidden within barcodes as well as the readable watermark printed on the instrument (See Yamaguchi figures 2-5, 9, 22, and 23 and related text). The thrust of the applicant's argument is that the first security image (watermark) is readable on the instrument printed on

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the medium. Yamaguchi clearly teaches the printing of the readable and not readable image data (watermark) as to be printed on a medium (See Yamaguchi paragraphs [0034]-[0036]). Further, it is clearly stated that the logo mark is used as a readable as well as not readable state as to be used as "a security image".

6. However, the applicant has amended the claims as to overcome the 112 rejection of the claims 1, 17, 18, and 66 by changing the words visible to "readable" and not readable to that of "is not readable". Also the applicant has clearly stated that the readability would be related to that of a human or a machine (See remarks section page 8, 1st paragraph). It should be noted that the applicant submitted "that it was known to those skilled in the art at the time the invention was made to print images on documents which images could not be read or reproduced by photocopiers." (See remarks section page 9, 2nd paragraph of the response filed on May 10, 2006 and Declaration under 37 C.F.R. 1.131 submitted on April 7, 2005). It is clearly disclosed by the applicant that readable watermarks in a document as a security measure is well known as to be incapable of being copied by a photocopier for further enhancing the security of the documents as it was clearly stated by the applicant in its declaration of April 7, 2005. Also, the examiner would like to point out that the claims as they have currently been presented contain a conditional clause that makes it conditional to that of *if* the instrument is printed the security image is readable and is not readable on a photocopy of the instrument. Therefore, it is possible that instrument never printed on an instrument as claimed. Therefore, the readability or none readability of the instrument is moot if the condition has not been met.

7. Furthermore, by the above admittance of the applicant as the fragile watermarks is used for prevention of the copying of such instrument if printed is well known in the art, it would have been an obvious modification of the teachings of the Yamaguchi to achieve further security for printing remotely from the server a valuable document (financial instrument).

8. It is clearly disclosed, by Yamaguchi reference as it can be seen in paragraph [0025]-[0031] and [0033]-[0036]. "When security data is printed on a paper, the security data is readable." And when it is copied the watermark does not copy thereafter. This method of electronically or digitally embedding

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watermark in an image for either printing or display is known in the art which such watermark can be perceivable to human eye as well as machines or both and once such image is printed the embedded information as watermark is present in the image and will not be perceivable by human eye or machines once it has been copied by a copy machine (As it has been admittedly been presented in the specifications as mentioned above and supported by the applicant in submitted documents exhibits A and B that this method of preventing fraud by coping documents).

9. Additionally, as it was previously argued by the examiner, that if one considers the paper watermarks as readable mark by naked eye as has been mentioned by the applicant, which are readable by holding the instrument against the light, can be considered as readable image and once the instrument has been copied the paper watermark does not copy or printing holograms that are difficult to copy (See Martin '362column 2, lines 11-46). Further, by applicant's own admittance that such practice of introduction of a readable watermark in a printed instrument for prevention of the copying of such instruments, as being know to those skill in the art at the time of the invention (See remarks section by applicant, filed on May 10, 2006, page 9, lines 8-21 and submitted supporting documents to this effect as exhibit A and B). Therefore it would have been a clear obvious modification to Yamaguchi teaching for furthering the security of the printed instrument remotely from the creator of such instrument to use fragile watermarks. One skilled in the art can clearly observe that the use of fragile watermarks can be useful for prevention of the coping of a value bearing instrument as to having information related to such instrument stored originally in a server and further upon examination of a copy of the same value bearing instrument and further discovery of absence of the required stored information on the copied instrument declaring such copied instrument as fraudulent, because the retrieval of the fragile watermark has not been possible.

10. As per arguments presented by the applicant for claims 2-17, 19, and 21-27, the arguments by the applicant all reference to the same issue, as the first security image is readable, which is addressed by the above argument as well as the photocopy of such readable watermark is not readable on a

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photocopy. Therefore the rejection of claims as presented below stand and claims 1, 2, 4-19, 21-28, and 66 are rejected.

Claim Rejections - 35 USC § 103

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. Claims 1-2, 10-11, 15-16, 18-19, 25, 27, and 66 are rejected under 35 U.S.C. 103 as obvious over European Patent Application No. EP 1-014-318 A2 to Takashi Yamaguchi.

13. As per claims 1, 18 and 66, Yamaguchi discloses a system its method and electronically readable medium for remotely generating an instrument, comprising:

- a) a processor that receives from a customer a request for the instrument (See Yamaguchi abstract, figures 2 step S8, and paragraph [0010] and [0023]);
- b) generates the instrument in electronic form (See Yamaguchi abstract, figures 2 step S11, and paragraph [0010]-[0013] and [0025]);
- c) adds a first security image in electronic form to the electronic form of the instrument to create a composite image (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]); and
- d) a communications module that transmits the composite image in electronic form to the customer for printing by the customer to create the instrument (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]-[0026], where transmits corresponds to sent).

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Wherein the first security image, when printed on the instrument, is readable in the composite image that is printed on the instrument and is not readable on a photocopy of the instrument (See Yamaguchi figures 2-5, 9, 22, and 23 and related text, paragraphs [0034]-[0036] and [0087]).

14. Additionally, as remarked above, if one considers the paper watermarks as readable mark by naked eye as has been mentioned by the applicant, which are readable by holding the instrument against the light, can be considered as readable image and once the instrument has been copied the paper watermark does not copy or further, by printing holograms that are difficult to copy (See Martin '362 column 2, lines 11-46). Further, by applicant's own admittance that such practice of introduction of a readable watermark in a printed instrument for prevention of the copying of such instruments, as being known to those skilled in the art at the time of the invention (See remarks section by applicant, filed on May 10, 2006, page 9, lines 8-21 and submitted supporting documents to this effect as exhibit A and B). Therefore it would have been a clear obvious modification to Yamaguchi teaching for furthering the security of the printed instrument remotely for such instrument to use fragile watermarks. Motivation has been thought by Yamaguchi reference as it can be seen in paragraphs [0025]-[0031] and [0033]-[0036].

15. As per claims 2 and 19, Yamaguchi discloses all the limitations of claims 1 and 18, wherein the first security image comprises a watermark (See Yamaguchi figures 3-8, paragraphs [0034], [0044], [0049]-[0050] and [0062], where watermark corresponds to data to be embedded in the image data in the not readable state).

16. As per claim 10, Yamaguchi discloses all the limitations of claim 1, wherein the instrument comprises a monetary instrument (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to enable a user issue what has a value equal to money).

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17. As per claim 11, Yamaguchi discloses all the limitations of claim 10, wherein the instrument represents certified funds (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to enable a user issue what has a value equal to money like postage stamps. Stamps are certified funds used for variety of transactions and fee payments especially in official correspondents).

18. As per claim 15, Yamaguchi discloses all the limitations of claim 10, wherein the request comprises at least one of an amount, a denomination and a currency of the monetary instrument (See Yamaguchi figure 3, and paragraphs [0010]-[0013] [0023] and [0031]).

19. As per claims 16 and 27, Yamaguchi discloses all the limitations of claims 1 and 18, further comprising a step of e) associating a unique identification number with the instrument (See Yamaguchi figure 3, and paragraphs [0010]-[0013] [0023], [0031] and [0035]).

20. As per claim 25, Yamaguchi discloses all the limitations of claim 18, wherein the instrument comprises a monetary instrument that represents certified funds (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to issue what has a value equal to money) and the instrument represents certified funds (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to enable a user issue what has a value equal to money like postage stamps. Stamps are certified funds used for variety of transactions and fee payments especially in official correspondents).

21. Claims 4-9, 12-13, 17, 21-24, 26, and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable over European Patent Application Publication No. EP 1-014-318 A2 to Takashi Yamaguchi in view of U.S. Patent No. 6,390,362 to David A. Martin.

22. As per claim 4-6 and 21-22, Yamaguchi discloses all the limitations of claims 2 and 19, further;

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What Yamaguchi is not explicit is the composite image is for printing on a medium having a second security image, the second security image is not readable on the instrument and is readable on a photocopy of the instrument, the second security image comprises the word "void".

However, Martin clearly discloses the presence of secondary security image on the instrument readable only when the instrument has been copied and displaying the word "Void" (See Martin column 2, lines 11-15 and 21-24 and column 4, lines 21-39).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to further include additional security images such as pantographs spelling out certain words or images (Void or Copy, etc.) for the motivation of better security and fraud prevention.

23. As per claim 7-9 and 23-24, Yamaguchi discloses all the limitations of claims 1 and 18, further;

What Yamaguchi is not explicit is the medium comprises a second security image, the second security image is not readable on the instrument printed on the medium and is readable on a photocopy of the instrument printed on the medium, the second security image comprises the word "void".

However, Martin clearly discloses the presence of secondary security image on the instrument readable only when the instrument has been copied and displaying the word "Void" (See Martin column 2, lines 11-15 and 21-24 and column 4, lines 21-39).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to further include additional security images such as pantographs spelling out certain words or images (Void or Copy, etc.) for the motivation of better security and fraud prevention.

24. As per claims 12, Yamaguchi discloses all the limitations of claim 11, further;

What Yamaguchi is not explicit and specific is the instrument is generated by an issuing financial institution, the funds are certified by the issuing financial institution and the customer holds a deposit account with the issuing financial institution.

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However, Martin clearly discloses that a financial entity such as a bank is the generator of the instrument and the bank is grantor of the payment of the face amount to the payee from the payer's account held at the bank (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution certify the financial instrument created and drawn on an account of an account holder and printed for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

25. As per claim 13, Yamaguchi discloses all the limitations of claim 12, further;

What Yamaguchi is not explicit and specific is the funds are withdrawn from the customer's deposit account.

However, Martin clearly discloses that the funds are withdrawn from the customer's deposit account. (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution withdraw the funds from the account of the account holder for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

26. As per claim 26, Yamaguchi discloses all the limitations of claim 25,

What Yamaguchi is not explicit and specific is the instrument is generated by an issuing financial institution, the funds are certified by the issuing financial institution and the customer holds a deposit account with the issuing financial institution.

However, Martin clearly discloses that a financial entity such as a bank is the generator of the instrument and the bank is grantor of the payment of the face amount to the payee from the payer's

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account held at the bank (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution certify the financial instrument created and drawn on an account of an account holder and printed for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

27. As per claims 17 and 28, Yamaguchi discloses a system and method that remotely generates an instrument representing certified funds, the system comprising;

- a) a processor that receives a request from a customer for an instrument (See Yamaguchi abstract, figures 2 step S8, and paragraph [0010] and [0023]),
- b) generates the instrument in electronic form (See Yamaguchi abstract, figures 2 step S11, and paragraph [0010]-[0013] and [0025]),
- c) adds a first security image in electronic form to the electronic form of the instrument to create a composite image (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]);
- d) a communications module that transmits the composite image in electronic form to the customer for printing by the customer on a medium to create the instrument (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]-[0026], where transmits corresponds to sent),

wherein the first security image comprises a watermark, wherein further the first security image, when printed on the instrument, is readable in the composite image that is printed on the instrument, (See Yamaguchi figures 3-8, paragraphs [0034], [0044], [0049]-[0050] and [0062], where watermark corresponds to data to be embedded in the image data in the not readable state),

wherein further the first security image is not readable on a photocopy of the instrument (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0034]),

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What Yamaguchi is not explicit is the composite image is for printing on a medium having a second security image the second security image is not readable on the instrument and is readable on a photocopy of the instrument.

However, Martin clearly discloses the presence of secondary security image on the instrument readable only when the instrument has been copied (See Martin column 2, lines 11-15 and 21-24 and column 4, lines 21-39).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to further include additional security images such as pantographs spelling out certain words or images (Void or Copy, etc.) for the motivation of better security and fraud prevention.

What Yamaguchi is not explicit and specific is the instrument is generated by an issuing financial institution, the funds are certified by the issuing financial institution and the customer holds a deposit account with the issuing financial institution.

However, Martin clearly discloses that a financial entity such as a bank is the generator of the instrument and the bank is grantor of the payment of the face amount to the payee from the payer's account held at the bank (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution certify the financial instrument created and drawn on an account of an account holder and printed for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

28. Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over European Patent Application Publication No. EP 1-014-318 A2 to Takashi Yamaguchi in view of U.S. Patent No. 5,432,506 to Thomas R. Chapman.

29. As per claim 14, Yamaguchi discloses all the limitations of claim 10, further;

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What Yamaguchi is not explicit and specific is the instrument comprises at least one of a stock certificate and a bond (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to issue what has a value equal to money. As per disclosure of Dictionary of Finance and Investment Terms, fifth edition).

However, Chapman clearly discloses that the an instrument can be checks, money orders, stock certificates, passports, other financial instruments, or other documents subject to counterfeiting and forgery (See Chapman abstract, column 1, lines 53-68, and column 4, lines 64-68).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to include other financial instruments as well as other documents subject to counterfeiting and forgery such as bonds and stock certificates for the motivation of further broadening of the usefulness of the Yamaguchi's invention.

30. Examiner has pointed out particular references contained in the prior arts of record in the body of this action for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the response, to consider fully the entire references as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the examiner.

Conclusion

2. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action

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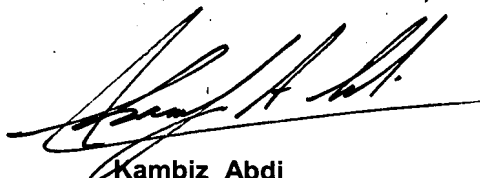
is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kambiz Abdi whose telephone number is ((571)272-6702. The examiner can normally be reached on 10 AM to 6:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Fischer Andrew can be reached on (571)272-6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

**KAMBIZ ABDI
PRIMARY EXAMINER**



**Kambiz Abdi
Primary Examiner
Art Unit 3621**

April 27, 2007